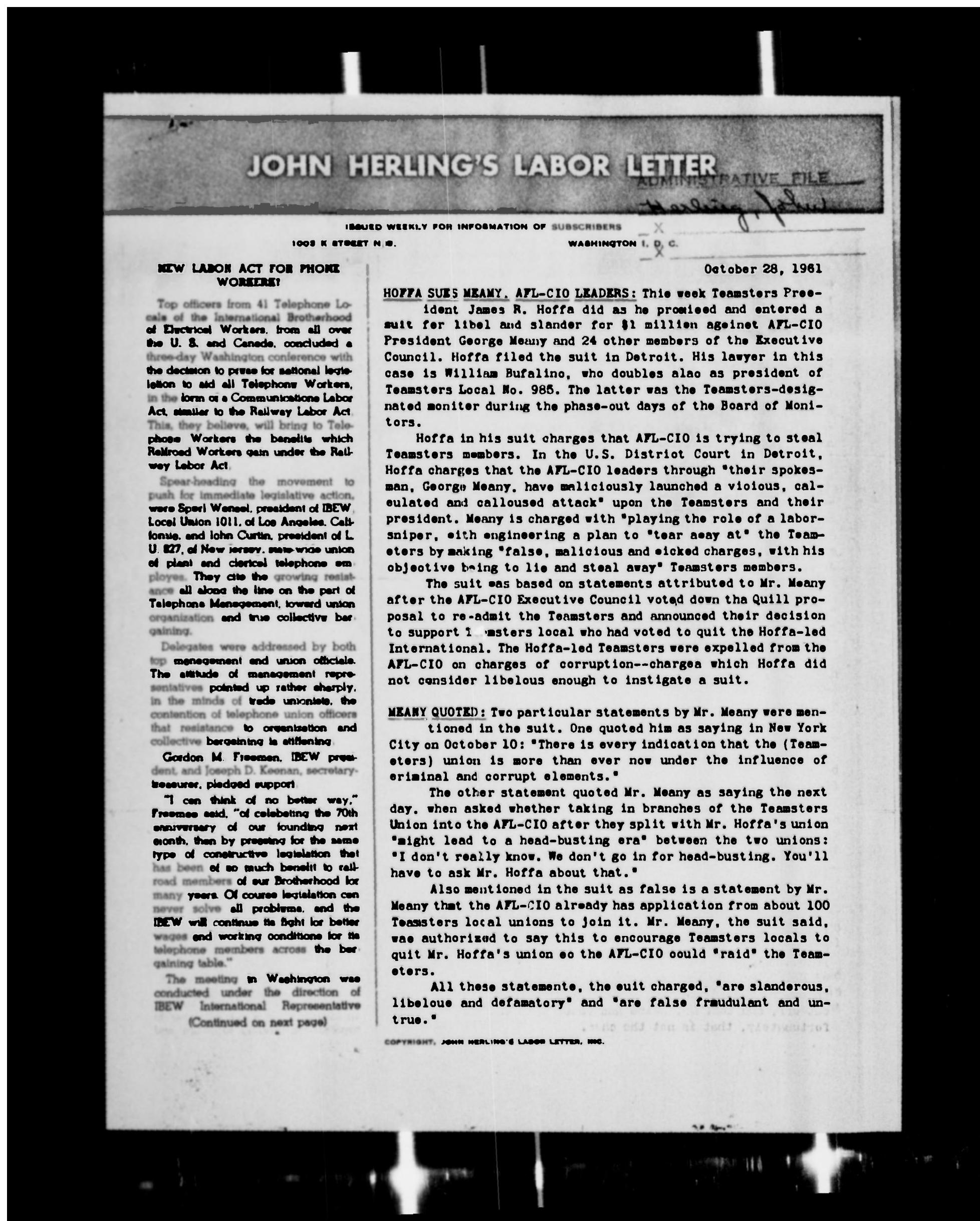


Herling
John



HOFFA CHARGES DAMAGES: As a result of Mr. Meany's attacks, the suit added, reputations of Mr. Hoffa and the Teamsters have been damaged and their standing in the labor movement seriously affected. The Teamsters are threatened with a serious loss of membership, it said, and Mr. Hoffa is faced with a loss of the confidence of Teamsters Union members.

EXECUTIVE COUNCIL MEMBERS NAMED: All the AFL-CIO officials named are members of its executive council. However, not all members of the council were named. The exceptions include Walter P. Reuther, president of the United Auto Workers Union; David McDonald, United Steel Workers president; A. Philip Randolph, head of the Brotherhood of Sleeping Car Porters, and William McFetridge, president emeritus of the Building Service Employees Union.

Reuther was absent from the Executive Council meeting because of negotiations in Detroit. McDonald, McFetridge and Randolph voted for readmission of the Hoffa-led Teamsters into the AFL-CIO or against the admission of the seceding Teamsters locals to the AFL-CIO.

Strangely enough, also named in the suit by Hoffa was Joseph Curran, National Maritime Union president, who voted for the readmission of the Teamsters and was probably the most vocal in behalf of the Teamsters and who strenuously opposed allowing the seceding Teamsters locals to come into the AFL-CIO.

Hoffa also included in his suit the name of Carpenters president J. Maurice Hutcheson, who was not present at the Executive Council meeting, and Charles McGowan deceased president of the Bollermakers Union.

HOFFA MAKES IT A FIRST: This suit by Hoffa is almost surely the first suit of its kind in labor chronicles. That is the opinion of leading labor historians who have cudgled their brains for another such suit. One recalled that AFL President Samuel Gompers was called all kinds of things in his career, and there were all sorts of interchanges among international presidents, but a suit never resulted. For example, nearly fifty years ago, Duncan McDonald assaulted Gompers personally and bitterly, and in such terms, that it became a shocking experience even for the United Mine Workers in convention assembled. No suit resulted.

One comment from the AFL-CIO was: "Jimmy can dish it out, but he can't take." Meany's reaction was: "Amusing."

STRANGE COMPANIONS: This is a story of strange companions-- David J. McDonald, president of the Steel Workers, and Phil Melas of Cleveland, once described by Robert F. Kennedy as "foremost" in the country's racketeering community. This relationship has been going on for many years. Some friends of Mr. McDonald, and more particularly of the Steel Workers Union, had hoped that the McDonald-Weiss relations had been cut off, and that Mr. Weiss had faded into the shadows. Unfortunately, that is not the case.

PHONE—(Continued)
Morris D. Murphy, IBEW director of Telephone Operations

DEDICATED MAN

I am going to report about one of the magnificent men of the free world. A man named Paul Hertz. He died a few days ago at his post in West Berlin, where he had been Senator in charge of Economy and Credit. Such a title can tell little of the passionate wisdom, the dedicated soul, and the relentless practicality which are summed up in the life and deeds of my friend Paul Hertz.

The first time I met Paul was on a ship which brought him here from Europe late in the 1930's. He came as an exile from Hitler's Germany. He was among the first to be marked for special attention by the Nazi regime—a profound compliment paid to the uncompromising enemies of totalitarianism. He had been one of the most perceptive of the Social Democrats. He was coming to America under the auspices of a group of American labor and liberal leaders, who had joined forces to give aid to those who would not give up on their determination to make plans for the elimination of Mr. Hitler, and for the construction of a democratic Germany. As a newspaper man, I frequently would go down the harbor at pre-dawn to meet the ships and interview some of the men and women who had fled the clutches of dictatorship. At that time there were better known exiles than Paul Hertz, but none of them carried their talents with as much modesty and quiet assurance as this man who became my friend.

He quickly went to work for the cause of freedom—in his mouth, words like freedom and democracy, and personal dignity—which sometimes are used too loosely—brought a keener meaning. They transmitted a message of high voltage which lit up men's minds and powered their will. When Hitler was finally toppled, Dr. Hertz told me one day that the reconstruction of a new Germany belonged in the hands of younger men, who were not encumbered with the habits of the past. Such an idea was not a simple matter to express. His longing to return and

to be useful must have been deepest, but he brushed the thought aside. He believed he had reached the cut-off point.

Then one day, his old comrade, Ernst Reuter, Mayor of West Berlin, came to Washington, and asked Hertz to come and see him. The first words he said to Dr. Hertz were: "Why are you here when there is much work that we need you to do over there?" And both men wept. Hertz promised to return just for a while. He said he wanted to make sure that his presence in West Berlin would prove an aid, and not a tolerated burden.

His fears proved groundless. All his experience in the field of planning and construction--his caniness and integrity in the handling of funds--made him Ernst Reuter's good right hand. As chairman of the Marshall Plan Committee in West Berlin, Dr. Hertz handled the spending of \$413 million. He brought organized labor directly into the development of public policy. Through the plans and programs which he helped create, the workers of Berlin went to work with a will, and with purpose. He once pointed with pride to my wife and me during a visit to Berlin, the great housing developments where the people of Berlin had begun to live and thrive in a re-birth of freedom and security from tyranny. Not only did he ensure the contribution of the trade unions to the Berlin economy, he glowed with quiet pride that the Berlin trade unions had become the spine of West Berlin's determination to resist the Communist intimidation. Paul Hertz, more than any single man, was responsible for making West Berlin the show place of freedom--a dramatic contrast to the drab weariness and cold desolation of the body and spirit of East Berlin.

Two years ago, when the people and trade unions of Berlin amassed in a great demonstration against Communist threats, Paul Hertz was already 71. He was a proud man and a confirmed human being. He had undergone several serious operations, but his shining spirit never lagged. He worked early and late. He could outlast younger men. His energies were prodigious. There was so much to be done and so little time in which to do it. He glorified too in the great development of Mayor Willy Brandt.

(Continued on next page)

REAPPEARANCE: Who is Mr. Weiss? He claims not only the friendship of the Steel Workers' president, but also of Teamsters president, James R. Hoffa. The McClellan committee records reveal that Mr. Weiss was charged with being the fixer in any number of situations, including the arrangement of Teamsters' contracts for Jimmy Hoffa in New York and other places.

A few weeks ago, Mr. Weiss reappeared in the Washington office of the United Steel Workers--the week the union's executive board was in session. During one of the sessions, the motion was moved and carried that the Steel Workers Union should support the re-entry of the Hoffa-led Teamsters into the AFL-CIO. The action was then amended to give the officers of the union the discretion in the matter. The next week at the AFL-CIO Executive Council meeting, David J. McDonald was one of the three out of 27 who voted to support Michael Quill's motion to re-admit the Teamsters. Later, Mr. McDonald explained that he was confused, that he had thought the action would have precluded any further discussion of the Teamsters' problem.

CURIOUS COINCIDENCE: Mr. McDonald might indeed have been confused. But what disturbs key trade union leaders is that Phil Weiss, a professional dealer in the black arts of confusion, was very much in evidence in the Commodore hotel, where the Executive Council was meeting. Mr. Weiss has his suite at another hotel in New York, as does Mr. McDonald.

KENNEDY'S QUESTIONS: The following questions asked by Robert F. Kennedy, then chief counsel, are based on testimony before the McClellan committee or on evidence in the committee file:

1. "In the early 1940's, you went into business with Richard Frankenstein, who was a high official of the United Auto Workers?" Mr. Frankenstein lost his job when Walter Reuther was elected UAW president.

2. "Shortly after the war, you were involved in black-marketing of steel, were you not, Mr. Weiss?"

3. "Isn't it correct, also, that you have been involved in the black-marketing of steel with 'Longy' Zwillman, as well as Frankenstein?"

4. Isn't it true that you had financial dealings with various steel companies in the United States at various times? And that in these dealings, you have always used as a basis of them your relationship with, alleged relationship, with certain union officials?

WEISS, STEEL AND HOFFA: 5. "Isn't it true you have continuously used the names of high officials of the Steelworkers in connection with obtaining or making arrangements with steel corporations and companies throughout the country?"

6. "Isn't it correct, also, Mr. Weiss, that you have used your friendship with Mr. Jimmy Hoffa to obtain business deals with certain truck companies and other companies throughout the country?"

7. "In 1967, didn't you go to a representative of the trucking companies up in New York and tell them because of your relationship with Mr. Hoffa, that you would alleviate the terms of the contract if they would grant the insurance to a friend of yours?"

8. "Isn't it correct, Mr. Weiss, that you are probably foremost in the country as far as selling your racket connections, not only with racket labor union officials, but with racketeers in the United States?"

9. "Isn't it correct that while Johnny Dio might be effective in New York City, somebody else might be effective in Detroit, somebody else in Philadelphia, that you have had the most far-reaching effect on labor racketeering of anybody in the United States?"

To all of these questions, Mr. Weiss refused to reply on the grounds of possible self-incrimination. Which was his legal right to do.

QUESTION TO McDONALD: The question Mr. McDonald must answer is: What are you doing with Mr. Weiss or what is Mr. Weiss doing with you? Your private life is your own—but, what about the public name of your unions? Can you afford to be part of a sinister triple play, made up of Philip Weiss and Jimmy Hoffa and _____?

AMU, SEAFARERS COMPETE IN CARIBBEAN: The National Maritime Union and the Seafarers have carried their fight to the Caribbean.

Joseph Curran, NMU president will act shortly on issuing charters to four Caribbean maritime organizations which applied for them during a conference last week in Kingston, Jamaica, sponsored by the NMU.

A Seafarers International Union, headed by Paul Hall, announced that it had issued a charter to the 6,000-member Seamen's Waterfront Workers' Trade Union of Trinidad.

Both American unions objective—to form closer liaison with seamen's unions in the Caribbean to strengthen their mutual positions in organizing seamen on American-owned ships registered under the Liberian, Panamanian and Honduran flags. Many Caribbean seamen man such vessels.

Mr. Curran said his union received applications for affiliation from maritime unions covering 18,000 seamen from Honduras, Panama, the Netherlands West Indies (Curacao, Aruba and Surinam) and from Nicaragua.

These unions not only cover seamen but allied waterfront workers such as longshoremen, drydock workers, dredge workers "who work unlimited hours without overtime and at wages far below standard," Mr. Curran said.

Very truly yours,

October 28, 1961

John Herling
JOHN HERLING, Editor

THIS LETTER IS EXCLUSIVELY FOR SUBSCRIBERS. NOT TO BE REPRODUCED IN WHOLE OR IN PART.

MAN—(Continued)

his friend and protege, whom he helped bring to the leadership of his city, and to national and international recognition. He served in the Brandt administration with the same selfless devotion he gave his friend Ernst Reuter.

When I recall that great meeting—when 600,000 West Berliners roared their determination in the three words, "Berlin Bleibt Frei"—Berlin Remains Free—I think today of the three men who helped mold the people's spirit: Reuter and Brandt and Hertz—and, not the least of them, is Paul Hertz.

JOHN H. LYONS, IRONWORKERS PRESIDENT, IS DEAD

This week the U. S. labor movement lost a leader who made a significant contribution to the system of responsible settlement of jurisdictional disputes.

Jack Lyons, dead at 70, came up the hard way, lost an eye working on a Cleveland structure. He became an understanding interpreter of the local and international union relations.

In recent years, his insistence on developing sensible methods of adjusting disputes with other craft unions encouraged the establishment of a network of agreements which brought the rule of reason in an area where formerly no holds were barred. He told me more than once that the public responsibility of the trade union movement is now as great as its economic responsibility to its members. In fact, he said, the two are tied together.

As a leader in the Metal and Building and Construction Trades Department, he exerted an affirmative pressure for the peaceful adjudication of disputes through the jurisdictional boards. He was a strong supporter of John F. Kennedy in the presidential campaign and in creating more effective relations between the Kennedy Administration and the labor movement.

His son, John H. Lyons, Jr., vice president of the union, has headed the ironworkers Washington office.



as he did because he thought that the defeat of the Quill resolution meant that there would be no further discussion of the Teamsters problem. Whether this was meant to serve as an excuse or an explanation is hard to determine. The fact is that the week before, the Executive Board of the Steel Workers had met in Washington, where the subject of Teamsters readmission to the AFL-CIO came up. Somebody moved that this should be the Steel Workers policy and after two or three minutes of deliberation, it was carried. Then, somebody had second thoughts on the subject. Finally, it was agreed the Steel Workers Union officers should be empowered to take whatever steps they believed proper. The first step taken by President McDonald was to vote against the rejection of the Quill resolution. Another unrecorded negative was that of Building Service Employees President *emeritus* William McFetridge.

MEANY ON HOFFA: The AFL-CIO president spelled out the reasons for the AFL-CIO's rejection of the Hoffa-led Teamsters. The Teamsters were expelled because they were under corrupt influence. And "nothing happened to indicate there has been any change for the better. In fact, there is every indication that the union is more than ever under the influence of corrupt elements. I don't think anyone in his right mind could deny that then and now the Teamsters are dominated by corrupt and criminal elements."

What could it take to enable the Teamsters to come back to the AFL-CIO? It would require "conformance with the ethical practices code" of the AFL-CIO and with the "decision of the 1957 AFL-CIO convention" which expelled the Teamsters Union.

Hoffa's first reaction to the announcement of the AFL-CIO rejection of efforts made on his behalf to get him back to the AFL-CIO was: "Who asked 'em? We'll meet them anywhere, anytime and we'll come out on top."

A few hours later, Meany announced that in recent months he has received applications from about 100 Teamsters groups for admission to AFL-CIO affiliation. Some of these date back to the time of the expulsion. Almost half of them made known their interest in new affiliation after August 1. Since then several Teamsters locals have quit Hoffa.

FEDERAL CHARTERS FOR TEAMSTERS: The next day, the AFL-CIO leadership carried on an intensive discussion of next steps. Having rejected the Hoffa-led Teamsters, it became clear that the AFL-CIO believed it had an obligation to those in the Teamster organization who also rejected Hoffa. In the Executive Council, there was general agreement that this was not the time to charter a new international union, or its equivalent--such as Heirne had proposed. BUT, it was finally decided that the AFL-CIO machinery would be placed behind the federal chartering of the Teamster locals which rebelled against Hoffa leadership.

The action of the AFL-CIO was spelled out this way: "It is the sense of this meeting that the executive officers are

KENNEDY—(Continued)
decision, which was three and a half billion dollars, we have lost that hope. We have still a strong desire to balance our budget but I can not predict what extra military demands may be made in the next month or two which may lessen that chance. But our present intention is to balance our budget unless military increases, and only military increases, threaten that object.

Q.—Mr. President, in your July speech on this same subject you said that if it was necessary to balance the budget you would increase taxes. Do you still feel that way?

THE PRESIDENT: For example, there is not any doubt that if we had been able to persuade the Congress to accept the six or seven hundred million dollar increase in postal rates, it would have assisted us in our responsibility. We will increase or we will secure sufficient revenue to balance the budget unless there is excessive and substantial—and they may come because of the events in Southeast Asia or Western Europe. At that time we will then make a judgment as to how much we can cut from non-defense expenditures. And, secondly, how much of a tax burden can be sustained without straining the recovery. We don't want which I think is one of the difficulties, recovery of 1958 which was aborted in 1960. So we don't want to provide a tax structure which already is very heavy and brings in tremendous receipts as full employment, we don't want it to result in waste of resources and manpower. So that is the judgment we must make.

Boom With Unemployment

Q.—Mr. President, could you give us your assessment of the vigor of the economic recovery, particularly in the light of some assessments by organized labor that we may have 5½ million unemployed by next February?

THE PRESIDENT: We have had a 10% increase in the second quarter and a 5% increase in the third quarter, and we are going to continue to have a substantial increase in the next quarter.

I think we are producing more this quarter probably than any year since 1959, and we have had less increase in the cost of living in a recovery than we have had in 12 years, so that the private sector is moving ahead.

The problem of unemployment continues because of technological changes and increases in the population. We do not have unemployment is now about four million, we do not. I am still as concerned as they are that we could have a great boom and still have the kind of unemployment they describe.

Steel Prices

Q.—Sir, do you believe your letter to the steel companies has had the desired effect that there will not be a steel price increase this fall?

THE PRESIDENT: I think that the steel companies are going to make a judgment based on what they consider to be in the private—in the public interest and in line with their own responsibility. I think it is their judgment and I am hopeful that they will make a judgment which will assist our economy.

Q.—Mr. President, on Berlin, the Russians seem to be making a conscientious effort to cut any relationship between West Berlin and West Germany, even the relationship which now exists. Do you consider that any settlement of the Berlin issue will have to include free access for West Germans and West Berliners back and forth, and other relationships between the city and the country as well as access for the Allied forces themselves?

THE PRESIDENT: Well, I think without going into the details, as I said at the beginning, it is quite obvious that we are not only talking about the freedom of the city, but also its viability, economic as well as political, if it operates under the greatest possible distances, 100 miles within an area controlled by the Soviet Union—in that this be with the West, West Germany, and other sections of the West, is very vital to its remaining more than just a shell so that we will be concerned with the viability and vitality, economic vitality, of the city in any arrangement that we are able to make. If we can make an agreement.

INSIDE THE AFL-CIO EXECUTIVE COUNCIL or, Teamsters Anyone?

Most arguments are carried along two levels—the heard and unheard. (Continued on next page)

empowered to use their judgment as to the issuance of federal charters to local groups who leave the Teamsters International and indicate a desire to join the ranks of the AFL-CIO and give them the support an affiliate of the AFL-CIO is entitled to receive."

The AFL-CIO action is equal and opposite to that announced by Hoffa at his convention last July when he announced that the Teamsters intended to organize and issue charters to any local that was dissatisfied with its affiliation, no matter where and how affiliated. The AFL-CIO is ready to welcome the dissatisfied in the Hoffa ranks.

The vote on granting federal charters to anti-Hoffa Teamsters was 4 to 2, with one abstention. The two "noes" were Curran and McFetridge. The abstention was Joe Beirne who said he was "happy" with the council action, but that it didn't go far enough but was a step in the right direction. "Ultimately, he believes, "we will have to come to the kind of organization that I propose."

The Beirne's resolution for setting up an independent truck drivers organizing committee was not taken up since the federal charter proposition was taken up first and passed.

HOFFA'S REACTION: Twelve hours later, Hoffa announced that he was suing George Meany for \$1 million, a suit he would file on Monday, October 15. Meany said this was the funniest thing he ever heard of. Hoffa says he will challenge Meany to specify whom he meant by criminal elements.

Hoffa apparently reacts automatically by rushing to the courts because he has been in them so much. The same day that the AFL-CIO announced that it would welcome Teamster elements, dissatisfied with Hoffa, the Teamsters president was hit by another indictment in Orlando, Florida—a revival of the indictment which was declared defective because of faulty jury panel.

HOFFA'S INDICTMENT: The Teamsters President was re-indicted with Robert E. McCarthy, Jr., Detroit banking executive, on fraud charges involving the asserted misuse of more than \$500,000 in union funds in the development of a "model city" in Broward County, Florida.

Attorney General Robert F. Kennedy announced the return of the 16-count indictment by a federal grand jury in Orlando, Florida. An earlier 12-count indictment was dismissed July 12, 1961, on grounds that the grand jury which returned it had been improperly impaneled.

The original indictment, returned December 7, 1960, included eight counts of mail fraud, three counts of fraud by telephone and one count of fraud by telegraph.

The new indictment included those 12 counts plus three new mail fraud counts and a mail fraud conspiracy count.

Henry Lower of Detroit, who died August 27, 1961, and who was named as a defendant with Hoffa and McCarthy in the original indictment, was named but not indicted in the new indictment.

Lower was an official of Teamster Local 367 in Detroit, the indictment said. McCarthy, now an officer of the Public Bank of Detroit, was manager of a branch of the Bank of the Commonwealth, in Detroit, at the time of the asserted frauds, according to the indictment.

NATURE OF ALLEGED FRAUD: The new indictment, like the old, charged that starting in March, 1954, Hoffa, McCarthy, and Lower devised "a scheme and artifice to defraud" four Teamster organizations in connection with the establishment of Sun Valley, Inc.

Sun Valley was formed on about October 22, 1954 as a Florida corporation with principal offices in Detroit. Its purpose, the grand jury charged, was to buy land in Brevard County, Florida, and resell parcels of this land to Teamster members and the general public.

It was part of the scheme to defraud "that Sun Valley would be financed, both directly and indirectly, through the misuse of union funds and operated for the personal profit of the defendants," the indictment charged.

Hoffa, McCarthy and Lower used unspecified amounts of money disbursed by the four Teamster groups "to promote their scheme and artifice" even though the books of the organizations showed the funds were used for the benefit and purposes of the unions, the grand jury said.

The indictment said the four groups were Truck Drivers Local Union 299, Automobile Drivers and Demonstrators Local Union 367, Food and Beverage Drivers Local Union 377 and Teamsters' Joint Council 43, all of Detroit.

Additionally, the grand jury said the three men withdrew Sun Valley funds "for their personal use and benefit."

The indictment also charged that the three, as a further part of their "scheme and artifice" fraudulently represented that Sun Valley would improve the Brevard County property "as a model city for retired members of Local Unions chartered by the Teamsters" and that the building lots all were "on high, dry and rolling land."

"In fact," the indictment said, "the defendants and Harry Lower caused the property to be so plotted that it could not be practically improved and developed" and "in fact, many of the lots offered and sold were so low and permeated with water as to make them not suitable for construction of homes and dwellings."

The lots, which had been acquired by Sun Valley for approximately \$18 each, were advertised and sold for from \$150 to \$1,090 each, the indictment said.

Very truly yours,

John Herling
JOHN HERLING, Editor

October 14, 1961

THIS LETTER IS EXCLUSIVELY FOR SUBSCRIBERS. NOT TO BE REPRODUCED IN WHOLE OR IN PART.

INSIDE AFL-CIO—(Continued)

For example, everybody knows that while any number of issues may come before the executive council, some of the subsurface maneuvering often has to do with the succession to the AFL-CIO Presidency. After all, George Meany is past the permissive retirement age, and lately he has been carrying as a walking aid what he refers to as his golf club. So the question recurs—who after Meany?

The name of Walter Reuther ranks high. So does Retail Clerks President James A. Suffridge. And Letter Carriers President William C. Doherty takes almost every occasion to announce his own candidate as Communication Workers President Joseph Beirne.

The past week, however, Maritime President Joseph Curran did slant into the matter in the course of the discussion on the discussion of what to do about the Teamsters. Curran was taking out after Joe Beirne for his proposal to set up a Truck Workers organizing committee. He charged him with ulterior motives—namely, using this as a tactic to win support for further advance in the AFL-CIO.

"Everybody knows," Joe Curran barked, "that Joe Beirne is being groomed to take George Meany's place." Suddenly, the table grew quiet. Some eyes turned toward Meany, expectantly. Others turned away in embarrassment. There are some things that even members of the Executive Council feel sensitive about.

George Meany sat still for a moment, shifted slightly in his seat, and extracting the cigar from his teeth, looked toward the ceiling, and breathed up a little smoke.

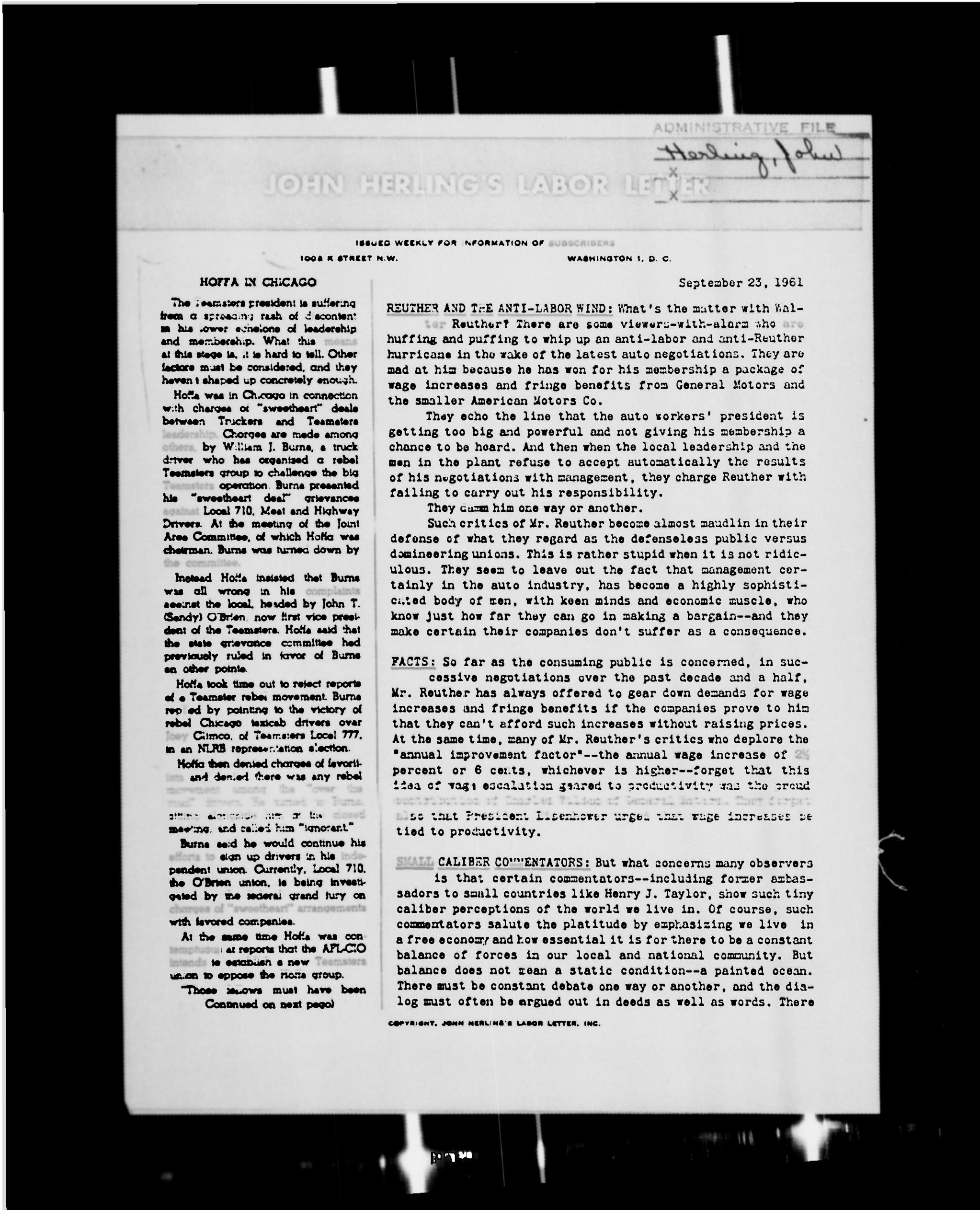
"Over my dead body," said Meany, deadpan.

Whereupon, the room rumbled with belly laughs. Curran looked somewhat redared, his triumphant argument deflated.

"Well, George," said Curran, "I'm glad you've cleared up the situation."

Reuther, Hutcheson Absent

Two absents from the AFL-CIO Executive Council meeting in New York were: Walter Reuther, president of the Auto Workers, because he was deeply involved in Ford strike negotiations; and Maurice Hutcheson, Carpenters president; ill.



are vital forces at work in our society, and not just slogans. In the same breath as certain of these critics say solemnly: "Unions are essential in industrial America," they seek to undermine the unions' position in American life. When such men go abroad, they come back up against the reality that the American trade union movement can and must increase its contributions in terms of philosophy, in personnel and in public awareness. They even make speeches about it.

LABOR AND THE PUBLIC: But they also make the grievous error of forgetting that the trade union movement--even at its present membership plateau--represents the bread and butter--and aspirations--of more than 17 million American workers and their families.

The commentators I'm talking about--some of whom are sponsored by large corporations--also peddle stuff like "the companies can get along without unions, but the unions can't get along without the companies." This posture is not only antislavonian, it is what John L. Lewis once called retrogressive. Anyway, it is fearfully and dangerously backward.

What strikes me as strange is the kindly "Peck's bad boy" image some of these critics of Walter Reuther bestow on Jimmy Hoffa, the self-described free enterpriser. As between the Teamsters' boss and the Auto Workers' president, they plump for Mr. Hoffa and his philosophy.

Now, don't get me wrong. Walter Reuther is not without faults--and who is not? But in answer to the opening question: "Who's the master with Walter Reuther?" my reply is: First, "He's all right" and second, "I think the country is lucky to have aggressive, honest labor leadership such as his."

REUTHER'S PRESENT STATUS: Walter Reuther, now 54, retains the verve and drive of his late twenties, when he and his two brothers, Roy and Victor, decided that they were going to be union organization men. For them, the operative word was "organization." Through the Congress of Industrial Organizations, the Reuthers began to make their impact upon the nation. Never did three members of one family, with nothing but health, dedication and unadulterated nerve, spin off as much accomplishment.

It's a far cry from the latest negotiations with General Motors and the 1937 sitdown strikes in the Chevrolet plants at Flint, Michigan, and similar demonstrations in many another place and plant. The current sit-ins, walk-ins, stand-ins, ride-ins, swim-ins and all the other methods of agitational entry employed in the civil rights campaigns are in the direct line of the labor phenomenon in 1937. Of course, both of them owe a considerable amount to the techniques of massive resistance which were developed by Mahatma Ghandi, who in turn was inspired by Henry David Thoreau.

But while Walter Reuther would tip his hat to Thoreau, Ghandi, and perhaps to his own past achievements, the quickening pace of the time leaves him little room for this kind

CHICAGO--(Continued)

drunk when they talked about forming another Teamsters union," was Hoffa's diatribe. Then Hoffa charged Secretary Goldberg with juggling labor department statistics to disprove Hoffa's claims of a fast growing membership.

"Goldberg has the proper statistics in his office, but he comes up with a Teamsters' membership figure based on the time of the year when there is a downturn in employment."

Just as we go to press, the Federal Grand Jury indicted Thomas H. Keegan, Local 710's \$27,500 a year business agent for allegedly accepting illegal payments from an interstate cartage company. There are 48 counts in the indictment, one for each alleged payment. Each count carries with it a \$10,000 fine and a year in jail. Teamsters Local 710 with more than 16,000 members claims to be the largest Teamsters local in the country.

TEAMSTERS' MEMBERSHIP DROPS

In connection with Hoffa's charge that the Department of Labor was rigging figures about the Teamsters' membership, it should be noted that AFL-CIO President George Meany had already pointed out that Hoffa's claims of more than 1,700,000 members were highly exaggerated. Meany charged that under the Hoffa regime--despite Hoffa's claims of great gains--the Teamsters lost membership since 1957, the year of his first phase as national head of the Teamsters.

One way to check membership figures is to use the Teamsters' own financial reports:

1. In 1957, total per capita international receipts came to \$7,512.341.95--divided by 40c, the per capita contribution equals 1,865.071 members, average for the year.
2. In 1958, total per capita receipts came to \$6,804.150--divided by 40c equals 1,417.531 members, average for the year.
3. In 1959, for the second half of the year, under Landrum-Griffin reporting requirements, per capita receipts came to \$3,559.049 for six months (times two for the year); the resulting membership figure is 1,487,104.
4. In 1960, total international per

per capita receipts came to \$7,109, \$28,620 divided by 400 equals 1,431,147 members.

This is still a big membership. But it shows several things: First, Teamsters' membership runs a full quarter behind what Hoffa claims; Second, there was a drop of about 125,000 members between 1957 and 1960 as recorded in the per capita receipts, on the average for both years.

HOFFA'S FAILURE PATTERN

Recent victory of the American Bakery & Confectionery Workers in New Jersey and in Pittsburgh prove that Jimmy Hoffa's nuclear tests do not carry the dangerous fallout over other unions—if they make up their minds to protect themselves against it.

Ever since the Bakery & Confectionery Workers—then led by James G. Cross—were expelled from the AFL-CIO, noises were made about affiliation with the Teamsters. At the first special convention, held in Cincinnati after expulsion, both Hoffa and Jim Gibbons, Teamsters top v.p., delivered tall speeches about future relations and support. There seems to be little doubt that a certain kind of support has been made available, but the diminishing returns, despite the Teamsters' increased efforts to put the arm on various situations—have caused many eyes to open with astonishment. Perhaps one moral which may be derived from the current situation is this: when Hoffa can't complain about being persecuted by the courts or the government in a burst of incurred innocence, then his own local and rank and file people begin to assert themselves openly and with more confidence.

The New Jersey Example: This was the National Biscuit NLRB election early in September. This was out between the expelled B&C union, headed by Leo Murphy, and an International v.p. of that union, and the ABC—the AFL-CIO American Bakery & Confectionery Workers Union. Hoffa intervened. In a strong letter of endorsement, widely distributed, Hoffa promised "the whole-hearted cooperation and support" of his Teamsters Union and "all our resources" to assure a Local 405 victory. He was con-

(Continued on next page)

of contemplation or self-congratulation. He knows he has got to move or stagnate. He says that this applies to the AFL-CIO now with the conclusion of auto negotiations. Walter Reuther has an interval of time during which he expects to work at what he calls revitalizing the labor movement.

MEANY AND REUTHER VERSUS HOFFA: For him, revitalization means an organizational as well as psychological change. His position is that you can not have one without the other. He is deeply distressed by the sense of easy ascendancy which Teamsters president Jimmy Hoffa claims over the AFL-CIO unions. Of course, Hoffa, aware of the cleavages in attitude between Meany and Mr. Reuther, enjoys trying to drive the wedge between the two a little deeper. But Mr. Hoffa reveals himself as being all muscle and no head if he thinks he can get very far with such obvious tactics.

The dissatisfaction with the present state of the AFL-CIO will presumably be discussed at the AFL-CIO General Board and Executive Council meetings in October. Some will also be taken up in the convention of the Industrial Union Department, which Mr. Reuther heads. For the next six weeks, intense preparation for the agenda will carry with it the certain knowledge that unless the Industrial Union Department comes up with a program of action, many of the AFL-CIO leaders associated in the department will diminish in the eyes of their membership and the public. They will lose face, if not weight.

TALK AND ACTION: Back in the middle 1930's, the United Mine Workers, under John L. Lewis, deployed a large corps of experienced men and a sizeable chunk of money, to enable labor to take advantage of the opportunities of the New Deal. Without that kind of logistical help, FDR's magnetic voice and presence could never have created the Congress of Industrial Organization or stimulated the American Federation of Labor to start stoking its fires once again. Now, in the early 1960's, the potential growth of the union movement must necessarily reflect the growth industries of the nation and the presence of a growth Administration. But it is not enough to talk, as Reuther frequently does, about "little men of little vision," without showing exactly how men increase in stature and improve their outlook. This is what Mr. Reuther's durable friends and dour critics are both saying. Outside of his own considerable union, is Reuther just a gymnasium fighter?

LABOR IN BRAZIL: This is the inside story of how the democratic sector of the Brazilian labor movement played a crucial part in preventing the return to power of President Janio Quadros after his sudden resignation.

JOURNAL OF PREVENTIVE ACTION: Sources close to Brazilian labor reveal the following sequence of events:

1. On August 20, the convention of ORIT—the Inter-

are vital forces at work in our society, and not just slogans. In the same breath as certain of these critics may solemnly: "Unions are essential in industrial America," they seek to undermine the unions' position in American life. When such men go abroad, they come smack up against the reality that the American trade union movement can and must increase its contributions in terms of philosophy, in personnel and in public awareness. They even make speeches about it.

LABOR AND THE PUBLIC: But they also make the grievous error of forgetting that the trade union movement--even at its present membership plateau--represents the bread and butter--and aspirations--of more than 17 million American workers and their families.

The commentators I'm talking about--some of whom are sponsored by large corporations--also peddle stuff like "the companies can get along without unions, but the unions can't get along without the companies." This posture is not only antediluvian, it is what John L. Lewis once called retrograde. Anyway, it is fearfully and dangerously backward.

What strikes me as strange is the kindly "Pecck's bad boy" image some of these critics of Walter Reuther bestow on Jimmy Hoffa, the self-described free enterpriser. As between the Teamsters' boss and the Auto Workers' president, they plump for Mr. Hoffa and his philosophy.

Now, don't get me wrong. Walter Reuther is not without faults--and who is not? But in answer to the opening question: "What's the matter with Walter Reuther?" my reply is: First, "He's all right" and second, "I think the country is lucky to have aggressive, honest labor leadership such as his."

REUTHER'S PRESENT STATUS: Walter Reuther, now 54, retains the verve and drive of his late thirties, when he and his two brothers, Roy and Victor, decided that they were going to be union organization men. For them, the operative word was "organization." Through the Congress of Industrial Organizations, the Reuthers began to make their impact upon the nation. Never did three members of one family, with nothing but health, dedication and unadulterated nerve, spin off as much accomplishment.

It's a far cry from the latest negotiations with General Motors and the 1937 sitdown strikes in the Chevrolet plants at Flint, Michigan, and similar demonstrations in many another place and plant. The current sit-ins, walk-ins, stand-ins, ride-ins, swim-ins and all the other methods of agitational entry employed in the civil rights campaigns are in the direct line of the labor phenomenon in 1937. Of course, both of them owe a considerable amount to the techniques of passive resistance which were developed by Mahatma Ghandi, who in turn was inspired by Henry David Thoreau of Concord.

But while Walter Reuther would tip his hat to Thoreau, Ghandi, and perhaps to his own past achievements, the quick-easing pass of the time leaves him little room for this kind

CHICAGO—(Continued)

drunk when they talked about forming another Teamsters union," was Hoffa's diagnosis. When Hoffa charged Secretary Goldwater with trying to "rig" department statistics to disprove Hoffa's claims of a fast growing membership.

"Goldwater has the proper statistics in his office, but he comes up with a Teamsters' membership figure based on the time of the year when there is a downturn in employment."

Just as we go to press, the federal Grand Jury indicted Thomas H. Keegan, Local 710, \$27,000 a year business agent for allegedly accepting illegal payments from an interstate cargo company. There are 48 counts in the indictment, one for each alleged payment. Each count carries with it a \$10,000 fine and a year in jail. Teamsters Local 710 with more than 16,000 members claims to be the largest Teamsters local in the country.

TEAMSTERS' MEMBERSHIP DROPS

In connection with Hoffa's charge that the Department of Labor was "rigging" figures about the Teamsters' membership, it should be noted that AFL-CIO President George Meany had already pointed out that Hoffa's claims of more than 1,700,000 members were highly exaggerated. Meany charged that under the Hoffa regime—despite Hoffa's claims of great gains—the Teamsters lost membership since 1957, the year of his first phase as national head of the Teamsters.

One way to check membership figures is to use the Teamsters' own financial reports:

1. In 1957 total per capita international receipts came to \$7,512,34.65—divided by 40c, the per capita contribution equals 1,885.33 members, average for the year.
2. In 1958 total per capita receipts came to \$6,824,150—divided by 40c equals 1,417.531 members, average for the year.
3. In 1959, for the second half of the year, under Landrum-Griffin reporting requirements, per capita receipts came to \$5,569,049 for six months (times two for the year); the resulting membership figure is 1,487.104.
4. In 1960, total international per

